



776 N.E. 125 Street, North Miami, Florida 33161

## Council Report

To: The Honorable Mayor and City Council

From: Aleem A. Ghany, P.E., Public Works Director

Date: December 11, 2012

RE: **A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO SUBMIT A LOAN APPLICATION FOR PROJECT FINANCING UNDER THE STATE REVOLVING FUND (SRF) PROGRAM AND TO NEGOTIATE AND EXECUTE AN AGREEMENT BETWEEN THE CITY OF NORTH MIAMI AND THE DEPARTMENT OF ENVIRONMENTAL PROTECTION: ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES OF COMPLIANCE WITH PROGRAM REQUIREMENTS; PROVIDING FOR AN EFFECTIVE DATE, AND ALL OTHER PURPOSES.**

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### **RECOMMENDATION**

The goal of the City of North Miami's Public Works Department is to provide for the effective and reliable conveyance of Drinking Water in order to ensure the public health of its residents.

Due to South Florida's increasing demands for water, the City of North Miami and surrounding areas sole source of fresh ground water is the Biscayne Aquifer, which has become less reliable as a water source over the years. This is due to the fact that millions of gallons of this water are pumped out of the ground each day contributing to its vulnerability as a continuing source of ground water. New stringent regulations regarding the Biscayne Aquifer have forced water officials to seek alternative sources of water. Addressing these water issues was a priority during the 2005 Florida legislative session. Two bills, Senate Bill (SB) 360 and Senate Bill (SB) 444, were passed and signed





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December 11, 2012

## Council Report

into law by Governor Jeb Bush. These bills focus on encouraging cooperation in the development of alternative water supplies and improving the linkage between local governments' land use plans and water management districts' regional water supply plans. There are also regulatory and financial incentives to encourage alternative water supply use.

In order to comply with new regulatory guidelines and restrictions pertaining to water supply, some South Florida water treatment facilities have tapped into a major alternative source of water known as the Floridian Aquifer, which is confined in deeper layers of rock below the Biscayne Aquifer. However, water from this source is more brackish than the Biscayne Aquifer and thus requires a different treatment process to convert it into potable water. This has given rise to a number of water treatment plants, which use reverse osmosis (RO) to treat the high salinity brackish water.

This is of specific interest to the City of North Miami. The City is considering expanding its current capacity to meet future water needs of the City due to unprecedented growth and the incorporation of the Community Redevelopment Agency. The goal is to increase the current plant's finished water capacity by 8-mgd with provisions for an additional 4-mgd in the future via the addition of Floridian Aquifer wells and the RO process. Therefore, the City has decided to begin their projects in Phases and this loan application is for Phase 1, which includes the filter rehabilitation at the Winson Water Treatment Plant. The project components include the replacement of filter media, surface wash agitator system, under drain system and pipe gallery for existing Filters #1-#4, including refurbishment and waterproofing of filter interiors for leak suppression, with all ancillary accessories.

The City will continue its commitment to improving the quality of our Drinking Water Plant through regular system-wide improvements.





776 N.E. 125 Street, North Miami, Florida 33161  
December 11, 2012

## Council Report

### **BACKGROUND**

The City of North Miami is applying for project construction funding through the Florida Department of Environmental Protection, State Revolving Funds (FDEP-SRF) via Request for Inclusion. The FDEP-SRF program has made available funds under project number DW-13183 for the Winson Water Treatment Plant – Phase 1 Filter Rehabilitation Project at their August 8, 2012 Priority List Hearing. The construction funding requests for this phase is a total of \$4,513,025, which includes construction costs, construction contingency, project allowance and technical service associated costs as outlined in the loan application.

The interest rate is estimated at 1.99% for a 20-year repayment. Once the Loan Agreement is provided by the FDEP-SRF program to the City of North Miami, all costs will be outlined in the agreement along with estimated semi-annual repayment. Repayments start within two years of the approval date of the agreement date or six months after construction; whichever is the latest.

An executed Loan Application, Legal Opinion and Commission Resolution must be returned to FDEP with this loan application.

### **ATTACHMENTS**

- (1) Loan Application
- (2) Legal Opinion Letter
- (3) EPA Pre-award Compliance
- (4) Proposed Resolution

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER AND THE CITY ATTORNEY TO SUBMIT AN APPLICATION FOR PROJECT FINANCING UNDER THE STATE REVOLVING FUND PROGRAM AND TO NEGOTIATE AND EXECUTE AN AGREEMENT BETWEEN THE CITY OF NORTH MIAMI AND THE DEPARTMENT OF ENVIRONMENTAL PROTECTION; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES OF COMPLIANCE WITH PROGRAM REQUIREMENTS; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.**

**WHEREAS**, state law provide for financial assistance to local government agencies to finance construction of water improvements to the drinking water facilities; and

**WHEREAS**, Florida Administrative Code rules require authorization to apply for financial assistance, to establish pledged revenues, to designate an authorized representative, to provide assurances of compliance with program requirements, and to enter into an agreement; and

**WHEREAS**, the Florida Department of Environmental Protection State Revolving Fund (SRF) has designated the Winson Drinking Water Treatment Plant Improvements, under Project Number DW Project No. 13183, as eligible for available funding; and

**WHEREAS**, the funds will be used toward water improvements at the Winson Water Treatment Plant Phase 1 – Filter Rehabilitation; and

**WHEREAS**, the Mayor and City Council of the City of North Miami approve the submittal of the attached Loan Application in order to obtain necessary funding in accordance with SRF guidelines; and

**WHEREAS**, the Mayor and City Council have determined that the foregoing is in the best interest of the City.

**NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA;**



**Section 1. Submittal of Application.** The Mayor and City Council of the City of North Miami, Florida, hereby authorize the submittal of the City of North Miami's Drinking Water Loan Application for project financing under the State Revolving Fund Program.

**Section 2. Authority of City Manager and City Attorney.** The City Manager and City Attorney are hereby authorized to negotiate and execute an agreement between the City of North Miami, Florida and Department of Environmental Protection for the State Revolving Fund Program.

**Section 3. Establishment of Pledged Revenues.** The revenues pledged for the repayment of the loan are net water and sewer utility system revenues.

**Section 4. Designation of City Manager as Authorized Representative.** The Mayor and City Council of the City of North Miami, Florida, hereby designate the City Manager as the authorized representative to provide the assurances and commitments required by the application and to carry out the obligations of the agreement.

**Section 5. Effective Date.** This resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** by a \_\_\_\_\_ vote of the Mayor and City Council of the City of North Miami, Florida, this \_\_\_\_\_ day of December, 2012

\_\_\_\_\_  
ANDRE D. PIERRE, ESQ.  
MAYOR

ATTEST:

\_\_\_\_\_  
MICHAEL A. ETIENNE, ESQ.  
CITY CLERK

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

\_\_\_\_\_  
REGINE M. MONESTIME  
CITY ATTORNEY



SPONSORED BY: CITY ADMINISTRATION

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

**Vote:**

Mayor Andre D. Pierre, Esq.	_____ (Yes)	_____ (No)
Vice Mayor Marie Erlande Steril	_____ (Yes)	_____ (No)
Councilperson Michael R. Blynn, Esq	_____ (Yes)	_____ (No)
Councilperson Scott Galvin	_____ (Yes)	_____ (No)
Councilperson Jean R. Marcellus	_____ (Yes)	_____ (No)



## **LOAN APPLICATION AGENDA PACKET**

TO: The Honorable Mayor and City Council

FROM: Aleem A. Ghany, PE  
Public Works Director

DATE: December \_\_\_\_, 2012

RE: A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO SUBMIT A LOAN APPLICATION FOR PROJECT FINANCING UNDER THE STATE REVOLVING FUND (SRF) PROGRAM AND TO NEGOTIATE AND EXECUTE AN AGREEMENT BETWEEN THE CITY OF NORTH MIAMI AND THE DEPARTMENT OF ENVIRONMENTAL PROTECTION; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES OF COMPLIANCE WITH PROGRAM REQUIREMENTS; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

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**ATTACHMENT(s)**

Loan Application

Legal Opinion Letter

EPA Preaward Compliance

Proposed Resolution



STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

**STATE REVOLVING FUND  
DRINKING WATER FACILITIES**

**LOAN APPLICATION**



Florida Department of Environmental Protection  
Bureau of Water Facilities Funding  
Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

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## LOAN APPLICATION

(1) **SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, Bureau of Water Facilities Funding, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.

(2) **COMPLETING THE APPLICATION.**

(a) This application consists of four parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; and (IV) APPLICANT RESOLUTION, ASSURANCES, AND CERTIFICATION.

(b) All information provided on this application must be typed. Monetary amounts may be rounded to the nearest \$1,000.

(c) Attachments to be submitted are denoted with *italic print*. They are to be listed on Page 10.

(3) **ASSISTANCE.**

Bureau of Water Facilities Funding staff are available to provide assistance. Please call (850) 488-8163 or SUNCOM 278-8163.

### PART I - ADMINISTRATIVE INFORMATION

(1) PROJECT SPONSOR APPLYING FOR LOAN. City of North Miami, Florida

Federal Employer Identification Number. 59-6000-390

(2) AUTHORIZED REPRESENTATIVE. [Person formally authorized by the project sponsor to sign or attest to loan documents, including this application. If more than one, attach the information (*Attachment #* \_\_\_\_).]

Name Stephen E. Johnson Telephone 305.895.9888

Title City Manager

Mailing Address 776 NE 125 Street – 4<sup>th</sup> Floor, North Miami, FL 33161

(3) PRIMARY CONTACT PERSON. (Person to answer questions about this application.)

Name Aleem A. Ghany P.E. Telephone 305.895.9830

Title Public Works Director Fax # 305.893.1367

Employer City of North Miami

Mailing Address 776 N.E. 125 Street, 3<sup>rd</sup> Floor, North Miami, FL 33161

(4) ADDITIONAL PERSON(S) TO RECEIVE COPY OF DEPARTMENT CORRESPONDENCE. (If more than one, attach the information (*Attachment #* 1)).

Name Thomas Bryant, P.E. Telephone 850.443.1313

Title Engineer Employer Black & Veatch

Mailing Address 2651 Shiloh Way

Tallahassee, Florida 32308

(5) PROJECT NUMBER (identified on the Department's priority list). DW 13183

(6) LOAN AGREEMENT DATE. When do you expect to sign the Loan Agreement? January/February 2013  
(Allow time for Department preparation of agreement, applicant review, and local commission meeting if applicable.)

(7) PREAWARD COMPLIANCE. Has an *EPA Preaward Compliance Review Report* been submitted for this project? ☒ Yes. ☐ No. If "yes", identify the date submitted to the Department \_\_\_\_\_  
If not, please complete and attach the EPA form. (*Attachment # 2*)

(8) FEDERAL EQUIVALENCY REQUIREMENTS. As a result of the federal funding of the State Revolving Fund Program for Drinking Water Facilities, there are federal requirements that must be met to enable financial assistance for any project. These requirements are identified under PART IV of this application.

**PART II - PROJECT INFORMATION. Complete SUBPART A or SUBPART B as appropriate.**

**SUBPART (A): PRECONSTRUCTION LOAN INFORMATION.**

(1) PRECONSTRUCTION ACTIVITIES. Attach a brief description of the scope of planning and design activities to be financed by this loan.

(2) PRECONSTRUCTION LOAN SCHEDULE.

(a) Provide proposed completion dates for the items below. (Please call Department staff to discuss time frames needed to complete required tasks.)

Water facilities plan adoption by the Project Sponsor. \_\_\_\_\_

Engineering design. \_\_\_\_\_

Certification of site availability (for construction and operation). \_\_\_\_\_

(b) Do you anticipate that a contractual agreement with another party will be necessary to implement the project? ☐ Yes. ☐ No. If "yes", list entities to be involved.  
\_\_\_\_\_  
\_\_\_\_\_

(3) PRECONSTRUCTION LOAN PROJECT COSTS. Is the cost information submitted for the priority list current? ☐ Yes. ☐ No. If "no", please explain and submit revised cost information (*Attachment #* \_\_\_\_\_) using the appropriate page of the Request for Inclusion on the Priority List for Drinking Water Facilities Form 62-552.900(1), F.A.C. Note that the disbursement amount (including the repayment reserve) will be limited to the priority list amount. Preconstruction loans are not available to finance the non-grant share of SRF preconstruction grants.

**SUBPART B: CONSTRUCTION LOAN INFORMATION.**

(1) CONSTRUCTION ACTIVITIES

(a) Attach a brief description of construction activities to be financed by this loan. Include a list of the construction contracts (by title) corresponding to the plans and specifications accepted by the Department (*Attachment # 3*). Also provide a proposed "start date" and "completion date" for each contract.

(b) Attach a copy of the Department letter(s) accepting the plans and specifications and all addenda (*Attachment # 4*).

(c) Does this project involve a contractual service agreement with other entities? ☐ Yes. ☒ No. If "yes", attach a copy of the Department letter accepting the agreement. (*Attachment #* \_\_\_\_\_) Is the agreement, as accepted by the Department, fully executed and enforceable? ☐ Yes. ☐ No. If "no", please explain (*Attachment #* \_\_\_\_\_).



(d) Has the Department accepted a clear site title certification for the project? ☒ Yes. ☐ No. If "yes", provide evidence of such certification or its acceptance. (Attachment # 5) If "no", explain.

(Attachment #     )

(e) Attach evidence that either a permit from the Department is not required to authorize project construction or that such authorization has been issued by the Department. (Attachment # 5)

**(2) CONSTRUCTION LOAN PROJECT COSTS.**

Is the cost information submitted for the priority list current? ☐ Yes. ☒ No. If "no", please explain and submit revised cost information (Attachment # 6) using the appropriate page of the Request for Inclusion on the Priority List for Drinking Water Facilities Form 62-552.900(1), F.A.C. Note that the disbursable amount (including the repayment reserve) will be limited to the priority list amount.

**PART III - FINANCIAL INFORMATION**

(1) **PRINCIPAL AMOUNT OF THE LOAN.** The requested amount of the loan, including capitalized interest (which is not disbursed), is \$ 4,671,990. The estimate of the capitalized interest is \$ 67,357. Note that the disbursable amount will be limited to the priority list amount and must be consistent with the information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect disbursement timing.

**(2) LOAN TERMS AND REPAYMENT.**

(a) If a construction loan involves a financially disadvantaged community, loans are amortized over 30 years, or less, with interest and principal paid semiannually. If a construction loan is not for a project to serve such a community, loans are amortized over 20 years, or less, with interest and principal paid semiannually. Preconstruction loans are amortized over not more than 10 years, with interest and principal paid semiannually. Do you want to repay the loan in less than the maximum amortization period?

☐ Yes. ☒ No. If "yes", identify the number of years     .

(b) Due to limitations on availability of State Revolving Fund revenues, a large (generally in excess of \$8 million unless the loan is to be made from the reserve for small communities in which case the amount generally would be in excess of \$1.5 million) loan amount may be provided in increments pursuant to the initial loan agreement and subsequent amendments as well Chapter 62-552, F.A.C. Each increment shall have a separate interest rate as established in the agreement or amendment providing that increment. If in doubt about whether the funding will be segmented, this matter should be discussed with Department staff.

(c) List all revenues that are to be pledged for repayment of this loan. (Note: Typically, water system or water and sewer system revenues are pledged, and the net revenues available for loan repayment must equal at least 1.15 times the annual debt service unless special reserves are locally funded. Rule 62-552.430, F.A.C., addresses pledged revenues and coverage requirements.

Water and Sewer System Net Operating Revenues

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(3) **LOAN REPAYMENT RESERVE.** The Applicant will be required to maintain a Loan Repayment Reserve Account to provide an interim remedy for any deficiency in pledged revenues. This reserve shall be no less than 0.03 times the total loan amount less the portion of the loan for capitalized interest and loan repayment reserve. Loan proceeds will be provided to establish the minimum (0.03) reserve.

(4) **ADDITIONAL LOAN SECURITIZATION.** If the project sponsor does not meet the requirements of Rule 62-552.430(4), F.A.C., for pledged revenue, loan repayment responsibility, default remedies, and debt service



history, indicate which of the following securitization provisions the project sponsor is prepared to negotiate (describe each in *Attachment # \_\_\_\_\_*):

- (a) Additional escrowed loan repayment reserve. No \_\_\_\_\_ Yes \_\_\_\_\_
- (b) Letter of credit. No \_\_\_\_\_ Yes \_\_\_\_\_
- (c) Lien on tangible assets. No \_\_\_\_\_ Yes \_\_\_\_\_
- (d) Personal or corporate obligation. No \_\_\_\_\_ Yes \_\_\_\_\_
- (e) Other equivalent securitization. No \_\_\_\_\_ Yes \_\_\_\_\_

(5) INFORMATION ON LIENS.

- (a) Describe all debt obligations having a prior or parity lien on the revenues pledged for this Loan (*Attachment # 7*); see the following example:

City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.

- (b) Using the *Schedule of Prior and Parity Liens* (page 7), provide debt service information on each prior and parity obligation. For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating (*Attachment # 7*).

(6) ACTUAL AND PROJECTED REVENUES.

- (a) Complete the Schedule of Actual Revenues and Debt Coverage for Rate-Based System Pledged Revenues (page 8) for the past two fiscal years. Additional information may be required if deemed necessary by the Department to evaluate credit-worthiness of the applicant.
- (b) Complete the Schedule of Projected Revenues and Debt Coverage for Rate-Based System Pledged Revenue (page 9), demonstrating the availability of pledged revenues for loan repayment. All projects expected to be implemented in the next five years are to be reflected into the need for projected revenues.

(7) LEGAL OPINION ON THE AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion (*Attachment # 8*) addressing the:

- (a) Availability of the revenues to repay the loan;
- (b) Right to increase rates at which revenues shall be collected to repay the loan; and
- (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.

(8) RESOLUTION ESTABLISHING PLEDGED REVENUES. Provide a certified resolution or other documentation (*Attachment # 9*) of the formal action taken by the applicant that establishes the pledged revenues.

**PART IV - APPLICANT RESOLUTION, ASSURANCES, AND CERTIFICATION**

(1) RESOLUTION. Provide a certified resolution or other documentation (*Attachment # 9*) of the formal action taken by Applicant that:

- (a) Authorizes this application; and
- (b) Designates the Authorized Representative(s) to file the application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.



(2) ASSURANCES AND CERTIFICATION. The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements in undertaking the project:

- (a) Complete all facilities recommended in the approved facilities plan.
- (b) The Archaeological and Historic Preservation Act of 1974, PL 93-291, and the National Historic Preservation Act of 1966, PL 89-665, as amended, regarding identification and protection of historic properties.
- (c) The Clean Air Act, 42 U.S.C. 7506(c), which requires conformance with State Air Quality Implementation Plans.
- (d) The Coastal Zone Management Act of 1972, PL 92-583, as amended, which requires assurance of project consistency with the approved State management program developed under this Act.
- (e) The Endangered Species Act, 16 U.S.C. 1531, et seq., which requires that projects avoid disrupting threatened or endangered species and their habitats.
- (f) Executive Order 11593, Protection and Enhancement of the Cultural Environment, regarding preservation, restoration and maintenance of the historic and cultural environment.
- (g) Executive Order 11988, Floodplain Management, related to avoiding, to the extent possible, adverse impacts associated with floodplain occupancy, modification and development whenever there is a practicable alternative.
- (h) Executive Order 11990, Protection of Wetlands, related to avoiding, to the extent possible, adverse impacts associated with the destruction or modification of wetlands and avoiding support of construction in wetlands.
- (i) The Fish and Wildlife Coordination Act, PL 85-624, as amended, which requires that actions to control natural streams or other water bodies be undertaken to protect fish and wildlife resources and their habitats.
- (j) The Wild and Scenic Rivers Act, PL 90-542, as amended, related to protecting components or potential components of the national wild and scenic rivers system.
- (k) The federal statutes relating to nondiscrimination, including: The Civil rights Act of 1964, PL 88-352, which prohibits discrimination on the basis of race, color or national origin; the Age Discrimination Act, PL 94-135, which prohibits discrimination on the basis of age; Section 13 of the Federal Water Pollution Control Act, PL 92-500, which prohibits sex discrimination; the Rehabilitation Act of 1973, PL 93-112, as amended, which prohibits discrimination on the basis of handicaps.
- (l) Executive Order 11246, Equal Employment Opportunity, which provides for equal opportunity for all qualified persons.
- (m) Executive Orders 11625 and 12138, Women's and Minority Business Enterprise, which require that small, minority, and women's business and labor surplus areas are used when possible as sources of supplies, equipment, construction, and services.
- (n) The Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended, which requires that projects be reviewed in accordance with state clearinghouse procedures.
- (o) The Amended Safe Drinking Water Act, PL 104-182, which sets forth requirements for public water systems.
- (p) The Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq., regarding protection and conservation of the coastal barrier resources.
- (q) The Farmland Protection Policy Act, 7 U.S.C. 4201 et seq., regarding protection of agricultural lands from irreversible loss.
- (r) The Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646, which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs.

(s) Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Executive Order 11738, which prohibit manufacturers, firms, or other enterprises on the EPA's list of Violating Facilities from participating in the Project.

(t) Executive Order 12549, Debarment and Suspension, which prohibits any award to a party which is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs.

(u) Minority and Women's Business Enterprise participation in project work using numerical goals, established by the U.S. Environmental Protection Agency, and to be set forth in the specifications for construction and materials contracts.

I, the undersigned Authorized Representative of the Applicant, hereby certify that all information contained herein and in the attached is true, correct, and complete to the best of my knowledge and belief. I further certify that I have been duly authorized to file the application and to provide these assurances.

Authorized Representative \_\_\_\_\_  
(signature) (name typed)

Signed this \_\_\_\_\_ Day of \_\_\_\_\_, 20\_\_\_\_\_

Attachments

THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY



## SCHEDULE OF PRIOR AND PARITY LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Use additional pages as necessary.

### Identify Each Obligation

#1 Series 2008A		\$21,435,000	#2 SunTrust 1 - Loan		\$1,200,000	#3 SunTrust 2 - Loan		\$215,935			
Coverage %		120%	Coverage %		120%	Coverage %		120%			
Insured (Yes/No)		Yes	Insured (Yes/No)		Yes	Insured (Yes/No)		Yes			
#4 SunTrust 3 - Loan		\$508,959	#5 SunTrust 4 - Loan		\$709,181	#6 SunTrust 5 - Loan		\$514,250			
Coverage %		120%	Coverage %		120%	Coverage %		120%			
Insured (Yes/No)		Yes	Insured (Yes/No)		Yes	Insured (Yes/No)		Yes			
#7 SunTrust 6 - Loan		\$424,421	#8 SRF Loan WW131810		\$491,653	#9					
Coverage %		120%	Coverage %		115%	Coverage %					
Insured (Yes/No)		Yes	Insured (Yes/No)		No	Insured (Yes/No)					
Fiscal Year	Annual Debt Service (Principal + Interest)								Total Non-SRF Debt Service w/coverage	Total SRF Debt Service w/coverage	
	#1	#2	#3	#4	#5	#6	#7	#8	#9		
2010	546,697	197,737	35,000	84,269	87,813	84,427	69,628			1,326,685	-
2011	3,729,900	197,736	35,000	84,269	87,809	84,428	69,627			5,146,523	-
2012		197,734	17,499	84,269	90,470	84,428	68,626			651,631	-
2013		49,434		5,826	87,811	84,425	69,629			356,550	-
2014					87,812	10,378	69,628			201,382	-
2015					87,813		69,627	29,490		188,928	33,914
2016					87,812			29,490		105,374	33,914
2017					87,812			29,490		105,374	33,914
2018								29,490		-	33,914
2019								29,490		-	33,914
2020								29,490		-	33,914
2021								29,490		-	33,914
2022								29,490		-	33,914
2023								29,490		-	33,914
2024								29,490		-	33,914
2025								29,490		-	33,914
2026								29,490		-	33,914
2027								29,490		-	33,914
2028								29,490		-	33,914
2029								29,490		-	33,914
2030								29,490		-	33,914
2031								29,490		-	33,914
2032								29,490		-	33,914
2033								29,490		-	33,914
2034								29,490		-	33,914
2035								29,490		-	33,914

**SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE  
FOR PLEDGED REVENUE**

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement)

	FY 2010	FY 2011
(a) Operating Revenues (Identify)		
<u>Water Revenues</u>	<u>\$ 7,114,193</u>	<u>\$ 7,149,794</u>
<u>Sewer Revenues</u>	<u>\$ 10,917,668</u>	<u>\$ 10,438,614</u>
(b) Interest Income	<u>\$ 50,134</u>	<u>\$ 51,997</u>
(c) Other Incomes or Revenues (Identify)		
<u>Other charges for services</u>	<u>\$ 1,758,907</u>	<u>\$ 1,661,025</u>
<u>Capital Improvement Utility Fee</u>	<u>\$ 3,867,373</u>	<u>\$ 3,994,996</u>
(d) Total Revenues	<u>\$ 23,708,275</u>	<u>\$ 23,296,426</u>
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	<u>\$ 19,574,495</u>	<u>\$ 20,823,528</u>
(f) <b>Net Revenues (f = d - e)</b>	<u>\$ 4,133,780</u>	<u>\$ 2,472,898</u>
(g) Debt Service (including coverage) Excluding SRF Loans	<u>\$ 651,631</u>	<u>\$ 356,550</u>
(h) Debt Service (including coverage) for Outstanding SRF Loans	<u>                    </u>	<u>                    </u>
(i) <b>Net Revenues After Debt Service (i = f - g - h)</b>	<u>\$ 3,482,149</u>	<u>\$ 2,116,348</u>

Source: City of North Miami 2010 CAFR and 2011 CAFR
Notes: CAFR Worksheets Attachment #10 - Financial Back-up Documentation



**SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Begin with the fiscal year preceding first anticipated semiannual loan payment.)

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Operating Revenues					
(a) (Identify)					
Water Revenues	12,049,050	12,320,800	12,722,100	13,348,300	14,219,900
Sewer Revenues	11,904,850	13,856,100	15,488,100	16,701,800	17,792,400
(b) Interest Income	53,921	55,916	57,985	58,391	60,551
Other Incomes or					
(c) Revenues (Identify)					
Other Charges for Service	1,688,600	1,688,600	1,692,900	1,697,100	1,705,600
<b>(d) Total Revenues</b>	<b>25,696,421</b>	<b>27,921,416</b>	<b>29,961,085</b>	<b>31,805,591</b>	<b>33,778,451</b>
(e) Operating Expenses	19,354,900	20,231,400	21,158,200	22,145,400	23,190,100
<b>(f) Net Revenues (f = d - e)</b>	<b>6,341,521</b>	<b>7,690,016</b>	<b>8,802,885</b>	<b>9,660,191</b>	<b>10,588,351</b>
Existing Debt Service					
on Non-SRF Projects					
(g) (including coverage)	651,631	356,550	201,382	188,928	105,374
Existing SRF Loan Debt					
(h) (including coverage)	0	0	0	33,914	33,914
<b>Total Existing Debt</b>					
<b>(i) Service (l = g + h)</b>	<b>651,631</b>	<b>356,550</b>	<b>201,382</b>	<b>222,842</b>	<b>139,288</b>
Projected Debt Service					
on Non-SRF Future					
Projects (including					
(j) coverage)	0	0	0	0	0
Projected SRF Loan					
Debt Service (including					
(k) coverage)	0	0		328,265	328,265
<b>Total Debt Service</b>					
<b>(Existing and</b>					
<b>(l) Projected) (l = i + j + k)</b>	<b>651,631</b>	<b>356,550</b>	<b>201,382</b>	<b>551,107</b>	<b>467,553</b>
<b>Net Revenues After</b>					
<b>(m) Debt (m = f - l)</b>	<b>5,689,890</b>	<b>7,333,466</b>	<b>8,601,503</b>	<b>9,109,084</b>	<b>10,120,798</b>
(n) Identify the source of the above information and explain methods used to develop the projections (Attachment # <u>10</u> ). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.					
(o) Are the above projections consistent with the capital improvements financing information in the accepted clean water facilities plan? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No. If not, explain on Attachment # ____.					

## LIST OF ATTACHMENTS

Please list all attachments that you are including with this application form.

[illegible]



# Attachment 1

Additional Person(s) to receive copy of Department correspondence

### Additional Person(s) to receive copy of FDEP-SRF Correspondence

**Name:** Wisler Pierre-Louis, P.E., LEED AP BD+C, CMF

**Title:** City Engineer / Public Works Department

**Phone:** 305.895.9838 ext 15005

**Address:** 1815 NE 150 St, North Miami FL 33161

**Email:** PWisler@northmiamifl.gov

**Employer:** City of North Miami, Florida

**Name:** Brendalee Westlake

**Title:** Project Administration Manager

**Phone:** 941.348.8364

**Address:** 9925 50<sup>th</sup> Street Circle East, Parrish FL 34219

**Email:** BWestlake@BV.com

**Employer:** Black & Veatch Corporation

**Name:** Nakia Johnson

**Title:** Administrative Coordinator, Public Works Department

**Phone:** 305.895.9830

**Address:** 776 N.E. 125 Street 3<sup>rd</sup> Floor, North Miami, FL 33161

**Email:** NAJohnson@northmiamifl.gov

**Employer:** City of North Miami, Florida



# Attachment 2

EPA Preaward Compliance Review Report

**Preaward Compliance Review Report for  
All Applicants and Recipients Requesting EPA Financial Assistance**

Note: Read instructions on other side before completing form.

I. Applicant/Recipient (Name, Address, State, Zip Code). <b>City of North Miami, 776 NE 125 Street - 4th Floor, North Miami FL 33161</b>		DUNS No.
II. Is the applicant currently receiving EPA assistance? <b>The City has not received any additional funding outside of their FDEP-SRF Loan for this project.</b>		
III. List all civil rights lawsuits and administrative complaints pending against the applicant/recipient that allege discrimination based on race, color, national origin, sex, age, or disability. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.)		
IV. List all civil rights lawsuits and administrative complaints decided against the applicant/recipient within the last year that allege discrimination based on race, color, national origin, sex, age, or disability and enclose a copy of all decisions. Please describe all corrective action taken. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.)		
V. List all civil rights compliance reviews of the applicant/recipient conducted by any agency within the last two years and enclose a copy of the review and any decisions, orders, or agreements based on the review. Please describe any corrective action taken. (40 C.F.R. § 7.80(c)(3))		
VI. Is the applicant requesting EPA assistance for new construction? If no, proceed to VII; if yes, answer (a) and/or (b) below. <div style="display: flex; justify-content: space-around;"> <span>Yes</span> <span>No</span> </div> a. If the grant is for new construction, will all new facilities or alterations to existing facilities be designed and constructed to be readily accessible to and usable by persons with disabilities? If yes, proceed to VII; if no, proceed to VI(b). <span style="float: right;">Yes      No</span> b. If the grant is for new construction and the new facilities or alterations to existing facilities will not be readily accessible to and usable by persons with disabilities, explain how a regulatory exception (40 C.F.R. § 7.70) applies. <span style="float: right;">Yes      No</span>		
VII.* Does the applicant/recipient provide initial and continuing notice that it does not discriminate on the basis of race, color, national origin, sex, age, or disability in its programs or activities? (40 C.F.R. § 5.140 and § 7.95) <span style="float: right;">Yes      No</span> a. Do the methods of notice accommodate those with impaired vision or hearing? <span style="float: right;">Yes      No</span> b. Is the notice posted in a prominent place in the applicant's offices or facilities or, for education programs and activities, in appropriate periodicals and other written communications? <span style="float: right;">Yes      No</span> c. Does the notice identify a designated civil rights coordinator? <span style="float: right;">Yes      No</span>		
VIII.* Does the applicant/recipient maintain demographic data on the race, color, national origin, sex, age, or handicap of the population it serves? (40 C.F.R. § 7.85(a))		
IX.* Does the applicant/recipient have a policy/procedure for providing access to services for persons with limited English proficiency? (40 C.F.R. Part 7, E.O. 13166)		
X.* If the applicant/recipient is an education program or activity, or has 15 or more employees, has it designated an employee to coordinate its compliance with 40 C.F.R. Parts 5 and 7? Provide the name, title, position, mailing address, e-mail address, fax number, and telephone number of the designated coordinator.		
XI.* If the applicant/recipient is an education program or activity, or has 15 or more employees, has it adopted grievance procedures that assure the prompt and fair resolution of complaints that allege a violation of 40 C.F.R. Parts 5 and 7? Provide a legal citation or Internet address for, or a copy of, the procedures.		
<b>For the Applicant/Recipient</b>		
I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law. I assure that I will fully comply with all applicable civil rights statutes and EPA regulations.		
A. Signature of Authorized Official	B. Title of Authorized Official <b>City Manager</b>	C. Date
<b>For the U.S. Environmental Protection Agency</b>		
I have reviewed the information provided by the applicant/recipient and hereby certify that the applicant/recipient has submitted all preaward compliance information required by 40 C.F.R. Parts 5 and 7; that based on the information submitted, this application satisfies the preaward provisions of 40 C.F.R. Parts 5 and 7; and that the applicant has given assurance that it will fully comply with all applicable civil rights statutes and EPA regulations.		
A. Signature of Authorized EPA Official	B. Title of Authorized EPA Official	C. Date
See ** note on reverse side		



## Instructions for EPA FORM 4700-4 (Rev. 04/2009)

### General

Recipients of Federal financial assistance from the U.S. Environmental Protection Agency must comply with the following statutes and regulations.

Title VI of the Civil Rights Acts of 1964 provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Act goes on to explain that the statute shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where the primary objective of the Federal financial assistance is to provide employment).

Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities.

Section 504 of the Rehabilitation Act of 1973 provides that no otherwise qualified individual with a disability in the United States shall solely by reason of disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Employment discrimination on the basis of disability is prohibited in all such programs or activities.

The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation under any program or activity receiving Federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission.

Title IX of the Education Amendments of 1972 provides that no person in the United States on the basis of sex shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal institution.

40 C.F.R. Part 5 implements Title IX of the Education Amendments of 1972.

40 C.F.R. Part 7 implements Title VI of the Civil Rights Act of 1964, Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act, and Section 504 of The Rehabilitation Act of 1973.

The Executive Order 13166 (E.O. 13166) entitled; "Improving Access to Services for Persons with Limited English Proficiency" requires Federal agencies work to ensure that recipients of Federal financial assistance provide meaningful access to their LEP applicants and beneficiaries.

### Items

"Applicant" means any entity that files an application or unsolicited proposal or otherwise requests EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Recipient" means any entity, other than applicant, which will actually receive EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Civil rights lawsuits and administrative complaints" means any lawsuit or administrative complaint alleging discrimination on the basis of race, color, national origin, sex, age, or disability pending or decided against the applicant and/or entity which actually benefits from the grant, but excluding employment complaints not covered by 40 C.F.R. Parts 5 and 7. For example, if a city is the named applicant but the grant will actually benefit the Department of Sewage, civil rights lawsuits involving both the city and the Department of Sewage should be listed.

"Civil rights compliance review" means any review assessing the applicant's and/or recipient's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or disability.

Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial application submission.

If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable."

In the event applicant is uncertain about how to answer any questions, EPA program officials should be contacted for clarification.

\* Questions VII – XI are for informational use only and will not affect an applicant's grant status. However, applicants should answer all questions on this form. (40 C.F.R. Parts 5 and 7).

\*\* Note: Signature appears in the Approval Section of the EPA Comprehensive Administrative Review For Grants/Cooperative Agreements & Continuation/Supplemental Awards form.

Approval indicates, in the reviewer's opinion, questions I – VI of Form 4700-4 comply with the preaward administrative requirements for EPA assistance.

### "Burden Disclosure Statement"

EPA estimates public reporting burden for the preparation of this form to average 30 minutes per response. This estimate includes the time for reviewing instructions, gathering and maintaining the data needed and completing and reviewing the form. Send comments regarding the burden estimate, including suggestions for reducing this burden, to U.S. EPA, Attn: Collection Strategies Division (MC 2822T), Office of Information Collection, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

The information on this form is required to enable the U.S. Environmental Protection Agency to determine whether applicants and prospective recipients are developing projects, programs and activities on a nondiscriminatory basis as required by the above statutes and regulations.

# Attachment 3

Project Description



## PROJECT DISCRIPTION

Due to South Florida's increasing demands for water, the City of North Miami and surrounding areas sole source of fresh ground water is the Biscayne Aquifer which has become less reliable as a water source over the years. This is due to the fact that millions of gallons of this water are pumped out of the ground each day contributing to its vulnerability as a continuing source of ground water. New stringent regulations regarding the Biscayne Aquifer have forced water officials to seek alternative sources of water. Addressing these water issues was a priority during the 2005 Florida legislative session. Two bills, SB 360 and SB 444, were passed and signed into law by Governor Jeb Bush. These bills focus on encouraging cooperation in the development of alternative water supplies and improving the linkage between local governments' land use plans and water management districts' regional water supply plans. There are also regulatory and financial incentives to encourage alternative water supply use.

In order to comply with new regulatory guidelines and restrictions pertaining to water supply, some South Florida water treatment facilities have tapped into a major alternative source of water known as the Floridan Aquifer which is confined in deeper layers of rock below the Biscayne Aquifer. However, water from this source is more brackish than the Biscayne Aquifer and thus requires a different treatment process to convert it into potable water. This has given rise to a number of water treatment plants which use reverse osmosis (RO) to treat high salinity brackish water.

This is of specific interest to the City of North Miami. The City is considering expanding its current capacity to meet future water needs of the city due to unprecedented growth and the incorporation of the Community Redevelopment Agency. The goal is to increase the current plant's finished water capacity by 8-mgd with provisions for an additional 4-mgd in the future via the addition of Floridan Aquifer wells and the RO process. Therefore the City has decided to begin their projects in Phases and this loan application is for Phase 1 which includes the filter rehabilitation at the Winson Water Treatment Plant. The project components include the replacement of filter media, surface wash agitator system, under drain system and pipe gallery for existing Filters #1-#4, including refurbishment and waterproofing of filter interiors for leak suppression, with all ancillary accessories.

This project has been bid and the approval to award letter is included in this section. The City plans on approving the contract at the City's December 11, 2013 City Council Meeting.

The Notice to Proceed will be issued after the contract is awarded in December. The start of construction is to begin in January 2013 and will take approximately 1 year for substantial completion and 3 months for final completion of all SRF required closeout documentation. January 2013 to April 2014.

## LEGAL OPINION

DATE

Gregory M. Brown, M.P.A., P.E.  
FDEP SRF Program of Water Facilities Funding  
2600 Blair Stone Road, M.S. 3505  
Tallahassee, Florida 32399-2400

Re: **Project Number DW13183**

Project Name: **City of North Miami – Winson Water Treatment Plant – Phase 1 – Filter Rehabilitation**

Dear Mr. Brown;

I am the duly appointed City Attorney for the City of North Miami. The City proposes to borrow \$4,671,990 from the State Revolving Fund for an expansion to the City's Drinking Water Facility. The following address Form 62-552.900(2) Part III (7) of the Florida Department of Environmental Protection, State Revolving Fund, Drinking Water Loan Application, Effective Date 07-20-99:

- a) *Availability of the revenues to repay the loan.* The loan will be secured by the net operating revenues of the City's water and sewer system and the pledged revenues are available to pledge.
- b) *Right to increase rates at which revenues shall be collected to repay the loan.* The City of North Miami has the legal authority to increase rates to ensure repayment of the loan.
- c) *Subordination of the pledge if pledged revenues are subject to a prior and parity lien.* The pledge on revenues is subject to a prior lien with the following:
  - 1) City of North Miami, Florida Water and Sewer System, Bond Series 2008A
  - 2) City of North Miami, Florida Water and Sewer System, SunTrust Bank Loans 1 through 7.

Sincerely,

City Attorney



# Attachment 9

Loan Resolution

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER AND THE CITY ATTORNEY TO SUBMIT AN APPLICATION FOR PROJECT FINANCING UNDER THE STATE REVOLVING FUND PROGRAM AND TO NEGOTIATE AND EXECUTE AN AGREEMENT BETWEEN THE CITY OF NORTH MIAMI AND THE DEPARTMENT OF ENVIRONMENTAL PROTECTION; ESTABLISHING PLEDGED REVENUES DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES OF COMPLIANCE WITH PROGRAM REQUIREMENTS; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

**WHEREAS**, Florida Statutes provide for financial assistance to local government agencies to finance construction of water improvements to the drinking water facilities; and

**WHEREAS**, Florida Administrative Code rules require authorization to apply for financial assistance, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with program requirements; and to enter into an agreement; and

**WHEREAS**, the Florida Department of Environmental Protection State Revolving Fund (SRF) has designated the Winson Drinking Water Treatment Plant Improvements, under Project Number DW Project No. 13183, as eligible for available funding; and

**WHEREAS**, funds will be used toward water improvements at the Winson Water Treatment Plant Phase 1 – Filter Rehabilitation; and

**WHEREAS**, the Mayor and City Council of the City of North Miami have determined that approve the attached Loan Application, in order to obtain necessary funding in accordance with SRF guidelines, is in the best interest of the City.

**NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA;**

**Section 1.**      **Submittal of Application.** The Mayor and City Council of the City of North Miami, Florida, hereby authorize the submittal of the City of North Miami's Drinking Water Loan Application for project financing under the State Revolving Fund Program.

**Section 2.**      **Authority of City Manager and City Attorney.** The City Manager and City Attorney are hereby authorized to negotiate and execute an agreement between the City of North Miami, Florida and Department of Environmental Protection for the State Revolving Fund Program.

**Section 3**      **Establishment of Pledged Revenues.** The revenues pledged for the repayment of the loan are net water and sewer utility system revenues.



**Section 4**      **Designation of City Manager as Authorized Representative.** The Mayor and City Council of the City of North Miami, Florida, hereby designate the City Manager as the authorized representative to provide the assurances and commitments required by the application and to carry out the obligations of the agreement.

**Section 5**      **Effective Date.** This resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** by a \_\_\_\_\_ vote of the Mayor and City Council of the City of North Miami, Florida, this \_\_\_\_\_ day of December, 2012

\_\_\_\_\_  
ANDRE D. PIERRE, ESQ.  
MAYOR

ATTEST:

\_\_\_\_\_  
MICHAEL A. ETIENNE, ESQ.  
CITY CLERK

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

\_\_\_\_\_  
REGINE M. MONESTIME  
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

**Vote:**

Mayor Andre D. Pierre, Esq.  
Vice Mayor Jean R. Marcellus  
Councilperson Michael R. Blynn, Esq  
Councilperson Scott Galvin  
Councilperson Marie Erlande Steril

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)  
\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)  
\_\_\_\_\_ (Yes) - \_\_\_\_\_ (No)  
\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)  
\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

# Attachment 10

Financial Back-up Material



## ATTACHMENT 10

### Projected Revenue and Debt

	2012	2013	2014	2015	2016
<b>Water:</b>	11,953,400	12,079,200	12,351,600	12,785,700	13,415,000
	95,650	241,600	370,500	562,600	804,900
	<u>12,049,050</u>	<u>12,320,800</u>	<u>12,722,100</u>	<u>13,348,300</u>	<u>14,219,900</u>
<b>Sewer:</b>	11,074,300	11,934,600	13,890,700	15,565,500	16,785,300
	830,550	1,921,500	1,597,400	1,136,300	1,007,100
	<u>11,904,850</u>	<u>13,856,100</u>	<u>15,488,100</u>	<u>16,701,800</u>	<u>17,792,400</u>
<b>Interest Income:</b>	53,921	55,916	57,985	58,391	60,551
<b>Other Revenues:</b>	1,688,600	1,688,600	1,692,900	1,697,100	1,705,600
<b>Total System:</b>	<b>25,696,421</b>	<b>27,865,500</b>	<b>29,903,100</b>	<b>31,747,200</b>	<b>33,717,900</b>
<b>Total Expenses:</b>	19,354,900	20,231,400	21,158,200	22,145,400	23,190,100
<b>Net:</b>	<b>6,341,521</b>	<b>7,634,100</b>	<b>8,744,900</b>	<b>9,601,800</b>	<b>10,527,800</b>

### ACTUAL

	2010	2011
<b>Water Sales</b>	7,114,193	7,149,794
<b>Sewer</b>	2,002,229	1,987,092
<b>Sewage</b>	8,915,439	8,451,522
	<u>18,031,861</u>	<u>17,588,408</u>
<b>Capital Improvement Utility Fee</b>	3,867,373	3,994,996
<b>Other charges for services</b>	1,758,907	1,661,025
<b>Interest Income</b>	50,134	51,997
<b>Total Revenue</b>	<u>23,708,275</u>	<u>23,296,426</u>
<b>Total Operating Expenses</b>	21,017,576	22,051,551
Depreciation	(1,443,081)	(1,228,023)
<b>Total Operation Expenses</b>	<u>19,574,495</u>	<u>20,823,528</u>

# CITY OF NORTH MIAMI, FLORIDA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS PROPRIETARY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2010

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities- Internal Service Funds
	<u>Water and Sewer Utility</u>	<u>Solid Waste Services</u>	<u>Stormwater Utility</u>	<u>Totals</u>	
Operating revenues:					
Metered water sales	\$ 7,114,193	\$ -	\$ -	\$ 7,114,193	\$ -
Sanitary sewer sales	2,002,229	-	-	2,002,229	-
Sewage treatment charges	8,915,439	-	-	8,915,439	-
Solid waste services	-	6,761,121	-	6,761,121	-
Stormwater charges	-	-	2,424,453	2,424,453	-
Motor vehicle charges	-	-	-	-	2,241,852
Capital improvement utility fee	3,867,373	-	-	3,867,373	-
Other charges for services	1,758,907	-	-	1,758,907	2,007,138
Total operating revenues	<u>23,658,141</u>	<u>6,761,121</u>	<u>2,424,453</u>	<u>32,843,715</u>	<u>4,248,990</u>
Operating expenses:					
Personal services	3,883,102	2,209,127	517,020	6,609,249	1,412,234
Sewage disposal and water charges	9,261,540	-	-	9,261,540	-
Solid waste disposal fees	-	1,493,288	-	1,493,288	-
Claims	-	-	-	-	4,180,441
Materials, supplies, services and other operating expenses	6,429,853	1,931,758	1,157,912	9,519,523	2,595,205
Depreciation	1,443,081	578,857	416,616	2,438,554	632,811
Total operating expenses	<u>21,017,576</u>	<u>6,213,030</u>	<u>2,091,548</u>	<u>29,322,154</u>	<u>8,820,691</u>
Operating income (loss)	<u>2,640,565</u>	<u>548,091</u>	<u>332,905</u>	<u>3,521,561</u>	<u>(4,571,701)</u>
Non-operating revenues (expenses):					
Interest income	50,134	-	-	50,134	5,837
Grants	327,996	-	2,059	330,055	-
Interest expense and fiscal charges	(224,734)	(46,287)	(210,704)	(481,725)	-
Amortization of bond premium	-	-	13,298	13,298	-
Amortization of issuance costs	(15,684)	-	(5,287)	(20,971)	-
Miscellaneous	67,622	9,559	264	77,445	611,913
Total non-operating revenues (expense)	<u>205,334</u>	<u>(36,728)</u>	<u>(200,370)</u>	<u>(31,764)</u>	<u>617,750</u>
Income (loss) before contributions and transfers	<u>2,845,899</u>	<u>511,363</u>	<u>132,535</u>	<u>3,489,797</u>	<u>(3,953,951)</u>
Capital contributions	251,885	-	-	251,885	-
Transfers in	-	63,127	-	63,127	-
Transfers out	(133,507)	(106,231)	(18,662)	(258,400)	(54,192)
Total contributions and transfers	<u>118,378</u>	<u>(43,104)</u>	<u>(18,662)</u>	<u>56,612</u>	<u>(54,192)</u>
Change in net assets	<u>2,964,277</u>	<u>468,259</u>	<u>113,873</u>	<u>3,546,409</u>	<u>(4,008,143)</u>
Net assets, beginning	<u>42,857,601</u>	<u>1,538,983</u>	<u>8,264,227</u>	<u>52,660,811</u>	<u>2,327,062</u>
Net assets, ending	<u>\$ 45,821,878</u>	<u>\$ 2,007,242</u>	<u>\$ 8,378,100</u>	<u>\$ 56,207,220</u>	<u>\$ (1,681,081)</u>

See notes to basic financial statements.



# CITY OF NORTH MIAMI, FLORIDA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS PROPRIETARY FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2011

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities- Internal Service Funds
	<u>Water and Sewer Utility</u>	<u>Solid Waste Services</u>	<u>Stormwater Utility</u>	<u>Totals</u>	
Operating revenues:					
Metered water sales	\$ 7,149,794	\$ -	\$ -	\$ 7,149,794	\$ -
Sanitary sewer sales	1,987,092	-	-	1,987,092	-
Sewage treatment charges	8,451,522	-	-	8,451,522	-
Solid waste services	-	6,635,169	2,408,384	9,043,553	-
Stormwater charges	-	-	-	-	-
Motor vehicle charges	-	-	-	-	2,376,456
Capital improvement utility fee	3,994,996	-	-	3,994,996	-
Other charges for services	1,661,025	-	-	1,661,025	1,867,616
Total operating revenues	<u>23,244,429</u>	<u>6,635,169</u>	<u>2,408,384</u>	<u>32,287,982</u>	<u>4,244,072</u>
Operating expenses:					
Personal services	3,648,683	1,956,575	572,424	6,177,682	1,156,740
Sewage disposal and water charges	10,639,149	-	-	10,639,149	-
Solid waste disposal fees	-	1,455,973	-	1,455,973	-
Claims	-	-	-	-	925,753
Materials, supplies, services and other operating expenses	6,535,696	1,982,716	1,231,578	9,749,990	2,839,615
Depreciation	1,228,023	245,919	426,355	1,900,297	538,605
Total operating expenses	<u>22,051,551</u>	<u>5,641,183</u>	<u>2,230,357</u>	<u>29,923,091</u>	<u>5,460,713</u>
Operating income (loss)	<u>1,192,878</u>	<u>993,986</u>	<u>178,027</u>	<u>2,364,891</u>	<u>(1,216,641)</u>
Non-operating revenues (expenses):					
Interest income	51,997	-	-	51,997	2,741
Grants	521,471	-	-	521,471	-
Interest expense and fiscal charges	(145,278)	-	(203,164)	(348,442)	-
Amortization of bond premium	-	-	-	-	-
Amortization of issuance costs	-	-	-	-	-
Miscellaneous	169,158	27,807	2,891	199,856	229,774
Total non-operating revenues (expense)	<u>597,348</u>	<u>27,807</u>	<u>(200,273)</u>	<u>424,882</u>	<u>232,515</u>
Income (loss) before contributions and transfers	<u>1,790,226</u>	<u>1,021,793</u>	<u>(22,246)</u>	<u>2,789,773</u>	<u>(984,126)</u>
Capital contributions	5,110	-	-	5,110	-
Transfers in	106,200	69,200	-	175,400	-
Transfers out	(129,834)	(65,339)	(18,809)	(213,982)	(33,143)
Total contributions and transfers	<u>(18,524)</u>	<u>3,861</u>	<u>(18,809)</u>	<u>(33,472)</u>	<u>(33,143)</u>
Change in net assets	1,771,702	1,025,654	(41,055)	2,756,301	(1,017,269)
Net assets (deficit), beginning	<u>45,821,878</u>	<u>2,007,242</u>	<u>8,378,100</u>	<u>56,207,220</u>	<u>(1,681,081)</u>
Net assets (deficit), ending	<u>\$ 47,593,580</u>	<u>\$ 3,032,896</u>	<u>\$ 8,337,045</u>	<u>\$ 58,963,521</u>	<u>\$ (2,698,350)</u>

See notes to basic financial statements.



Table 37 Comparison of the Combined System Revenue and Revenue

Line	Description	For the Fiscal Year Ended:				
		2012	2013	2014	2015	2016
COMBINED SYSTEM						
REVENUES						
Revenues Under Existing Rates:						
1	Water	\$ 11,953,400	\$ 12,079,200	\$ 12,351,600	\$ 12,785,700	\$ 13,415,000
2	Sewer	11,074,300	11,934,600	13,890,700	15,565,500	16,785,300
3	Total System	\$ 23,027,700	\$ 24,013,800	\$ 26,242,300	\$ 28,351,200	\$ 30,200,300
Percent Rate Increase:						
4	Water	1.60%	2.00%	3.00%	4.40%	6.00%
5	Sewer	15.00%	16.10%	11.50%	7.30%	6.00%
6	Total System	8.00%	9.00%	7.50%	6.00%	6.00%
Actual Rate Increase:						
7	Implementation Period	6 months	12 months	12 months	12 months	12 months
8	Water	\$ 95,650	\$ 241,600	\$ 370,500	\$ 562,600	\$ 804,900
9	Sewer	830,550	1,921,500	1,597,400	1,136,300	1,007,100
10	Total System	\$ 926,200	\$ 2,163,100	\$ 1,967,900	\$ 1,698,900	\$ 1,812,000
11	Revenues Under Proposed Rates	\$ 23,953,900	\$ 26,176,900	\$ 28,210,200	\$ 30,050,100	\$ 32,012,300
12	Total Other Revenues	\$ 1,688,600	\$ 1,688,600	\$ 1,692,900	\$ 1,697,100	\$ 1,705,600
13	Total System Revenues	\$ 25,642,500	\$ 27,865,500	\$ 29,903,100	\$ 31,747,200	\$ 33,717,900
OPERATING EXPENDITURES						
O&M Expenses:						
14	Contractual Services	\$ 2,956,400	\$ 3,144,600	\$ 3,347,400	\$ 3,566,700	\$ 3,803,500
15	Utility Equipment Maintenance	1,081,200	1,146,800	1,216,700	1,291,200	1,370,700
16	Water Plant	4,802,800	4,949,300	5,105,200	5,277,400	5,460,400
17	W&S Special Projects	0	0	0	0	0
18	Water Distribution	1,383,000	1,458,300	1,537,800	1,621,700	1,710,300
19	Sewer Collection and Disposal	9,131,500	9,532,400	9,951,100	10,388,400	10,845,200
20	Sewer Projects	0	0	0	0	0
21	Total O&M Expenses	\$ 19,354,900	\$ 20,231,400	\$ 21,158,200	\$ 22,145,400	\$ 23,190,100
22	Net Revenues	\$ 6,287,600	\$ 7,634,100	\$ 8,744,900	\$ 9,601,800	\$ 10,527,800
23	Total Debt Service	\$ 543,000	\$ 721,000	\$ 1,863,200	\$ 1,852,800	\$ 1,950,100
24	Income Available for Other Exp.	\$ 5,744,600	\$ 6,913,100	\$ 6,881,700	\$ 7,749,000	\$ 8,577,700
Debt Service Coverage						
25	Achieved	11.58	10.59	4.69	5.18	5.40
26	Target	1.20	1.20	1.20	1.20	1.20
Other Expenditures & Transfers:						
27	Renewal and Replacement Fund	\$ 1,884,000	\$ 1,964,100	\$ 2,047,600	\$ 2,134,600	\$ 2,225,800
28	Transfer to General Fund	1,559,600	1,559,600	1,563,500	1,567,400	1,575,300
29	Transfer to Pension Fund	167,000	174,500	182,400	191,100	200,200
30	Reserve for Employee Benefits	279,400	299,000	319,900	342,300	366,300
31	Rate Stabilization Fund	641,500	641,500	642,900	644,400	647,500
32	Total Other Exp. & Transfers	\$ 4,531,500	\$ 4,638,700	\$ 4,756,300	\$ 4,879,800	\$ 5,015,100
33	Total Revenue Requirements	\$ 24,429,400	\$ 25,591,100	\$ 27,777,700	\$ 28,878,000	\$ 30,155,300
34	Operating Surplus/Deficit	\$ 1,213,100	\$ 2,274,400	\$ 2,125,400	\$ 2,869,200	\$ 3,562,600
Fund Balance:						
35	Beginning Fund Balance	\$ 12,300	\$ 1,225,400	\$ 2,999,800	\$ 2,579,700	\$ 4,448,900
36	Operating Surplus	1,213,100	2,274,400	2,125,400	2,869,200	3,562,600
37	Cash Funding of Capital Projects	0	(500,000)	(2,545,500)	(1,000,000)	0
38	Ending Fund Balance	\$ 1,225,400	\$ 2,999,800	\$ 2,579,700	\$ 4,448,900	\$ 8,011,500
39	Days Fund Balance on Hand	23	53	44	72	124



**Project Cost Worksheet**  
City of North Miami  
**DW - Winson WTP Phase 1 Filter Rehabilitation**

Item	%	Amount
Construction, Equipment, Materials and Demolition		3,676,000
Eligible Land		0
Other (Allowance)		285,625
Contingency Percentage/Amount	5%	183,800
Technical Services	10%	367,600
Special Studies		0
<b>Total</b>		<b>4,513,025</b>
		-
Years to Construct		1.5
Anticipated Interest Rate		1.99%
Anticipated Capitalized Interest		67,357
<b>TOTAL</b>		<b>4,580,382</b>
Fees	2%	91,608
<b>Total for Amortization</b>		<b>4,671,990</b>
Current Rate	2.24	
Davis-Bacon Interest Reduction	0.25	
City's Interest Rate	1.99	

## Draft Interest Amortization

Loan Amount ( <b>pv</b> ) <sup>1</sup>	\$4,671,990
Interest Rate ( <b>rate</b> )	1.99%
Total # of Periods ( <b>Nper</b> )	20
Payment per Period	<b>\$285,447.89</b>
Total Interest Paid	<b>\$ 1,036,968.27</b>

Period	Payment Amount	Interest	Cumulative Interest	Principal	Principal Paid	Balance
					\$	4,671,989.54
1	285,447.89	92,972.59	92,972.59	192,475.30	192,475.30	4,479,514.24
2	285,447.89	89,142.33	182,114.93	196,305.56	388,780.86	4,283,208.68
3	285,447.89	85,235.85	267,350.78	200,212.04	588,992.89	4,082,996.64
4	285,447.89	81,251.63	348,602.41	204,196.26	793,189.15	3,878,800.39
5	285,447.89	77,188.13	425,790.54	208,259.76	1,001,448.91	3,670,540.62
6	285,447.89	73,043.76	498,834.30	212,404.13	1,213,853.04	3,458,136.49
7	285,447.89	68,816.92	567,651.21	216,630.97	1,430,484.02	3,241,505.52
8	285,447.89	64,505.96	632,157.17	220,941.93	1,651,425.95	3,020,563.59
9	285,447.89	60,109.22	692,266.39	225,338.67	1,876,764.62	2,795,224.91
10	285,447.89	55,624.98	747,891.36	229,822.91	2,106,587.54	2,565,402.00
11	285,447.89	51,051.50	798,942.86	234,396.39	2,340,983.93	2,331,005.61
12	285,447.89	46,387.01	845,329.88	239,060.88	2,580,044.81	2,091,944.73
13	285,447.89	41,629.70	886,959.58	243,818.19	2,823,863.00	1,848,126.54
14	285,447.89	36,777.72	923,737.29	248,670.17	3,072,533.17	1,599,456.37
15	285,447.89	31,829.18	955,566.48	253,618.71	3,326,151.88	1,345,837.66
16	285,447.89	26,782.17	982,348.64	258,665.72	3,584,817.60	1,087,171.94
17	285,447.89	21,634.72	1,003,983.37	263,813.17	3,848,630.77	823,358.77
18	285,447.89	16,384.84	1,020,368.21	269,063.05	4,117,693.82	554,295.72
19	285,447.89	11,030.48	1,031,398.69	274,417.41	4,392,111.22	279,878.31
20	285,447.89	5,569.58	1,036,968.27	279,878.31	4,671,989.54	0.00
	-	-	-	-	-	-

<sup>1</sup> The amount identified is the Construction and also includes estimated Service Fee and Capitalized Interest rate.

- - - - -



# Construction Grant/Loan Allowance Calculation for

## City of North Miami

DW13183

This page is protected to allow automatic calculation of allowances. It is provided to you for reference only. DEP personnel will recalculate allowances based on the information provided to them. Only the items in blue need be inputted to calculate allowances.

Is this project for a construction grant? (Yes or No) no

If this project is for a construction grant what is the percentage? (0%, 85%, 65%) no

Did this project include a pre-construction loan or grant? no

Pre-construction Allowances:	Administration	Engineering	Planning	
Loan	23,159	262,466	0	285,625
Grant	0	0	0	

<u>Total Post-allowance Project Costs</u>	<u>Grant Related Post-allowance Project Costs</u>
Construction <span style="float: right;">3,676,000</span>	Construction <span style="float: right;">0</span>
Eligible Land <span style="float: right;">0</span>	Eligible Land <span style="float: right;">0</span>
Contingency <span style="float: right;">183,800</span>	Contingency <span style="float: right;">0</span>
Technical Services <span style="float: right;">367,600</span>	Technical Services <span style="float: right;">0</span>
Other <span style="float: right;">0</span>	Other <span style="float: right;">0</span>
Sum <span style="float: right;">4,227,400</span>	Sum <span style="float: right;">0</span>
Unallowable allowance costs <span style="float: right;">367,600</span>	Unallowable allowance costs <span style="float: right;">0</span>
Allowance basis <span style="float: right;">3,859,800</span>	Allowance basis <span style="float: right;">0</span>

### Admin Allowance

<u>Loan</u>	<u>Grant</u>	<u>Total</u>
23,159	#VALUE!	#VALUE!

<u>Construction Amount</u>	
<u>Loan</u>	<u>Grant</u>
#VALUE!	#VALUE!

### Engineering Allowance

The estimated Engineering Allowance is based on: 6.8% of the APA or 150,000

<u>Loan</u>	<u>Grant</u>	<u>Total</u>
262,466	#VALUE!	#VALUE!

### Engineering Allowance Table

Estimated Project Cost	Engineering Allowance	
Less than \$500,000	10.3%	21,000
At least \$500,000 but less than \$1,000,000	8.5%	52,000
At least \$1,000,000 but less than \$2,000,000	7.5%	85,000
At least \$2,000,000 but less than \$5,000,000	6.8%	150,000
At least \$5,000,000 but less than \$10,000,000	6.4%	375,000
At least \$10,000,000 but less than \$50,000,000	6.0%	640,000
At least \$50,000,000	5.7%	3,000,000

### Planning Allowance

Note: the planning allowance is the same as calculated for a pre-construction loan/grant.

<u>Loan</u>	<u>Grant</u>	<u>Total</u>
0	0	0

### Loan Repayment Reserve

Percentage	0.00%	Total	0
------------	-------	-------	---

Sum of above Allowances		
Loan	Grant	Total
285,625	#VALUE!	#VALUE!

Total Construction Cost		
Loan	Grant	Total
4,513,025	0	4,513,025